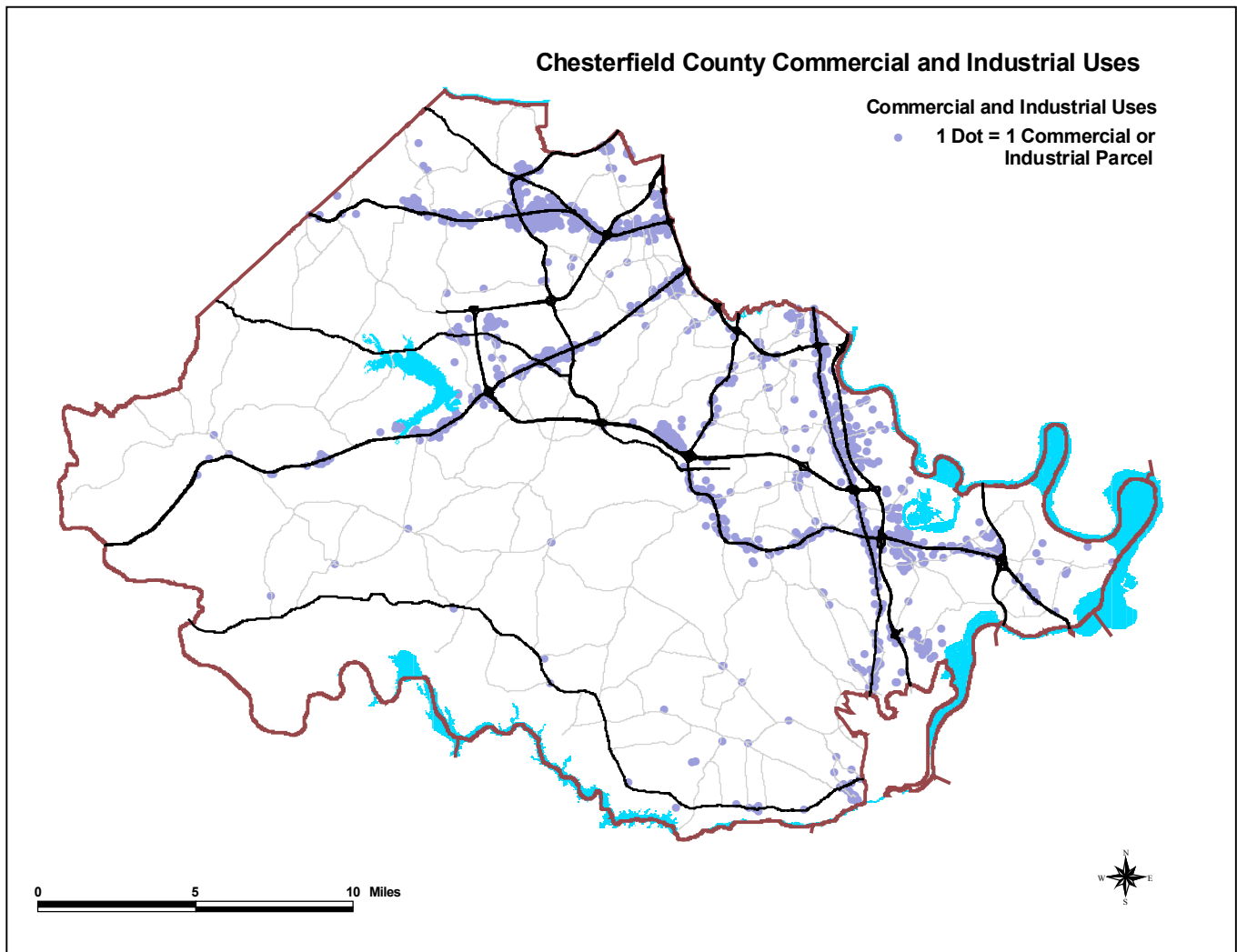


Commercial and Industrial Uses



General Commercial

Definition

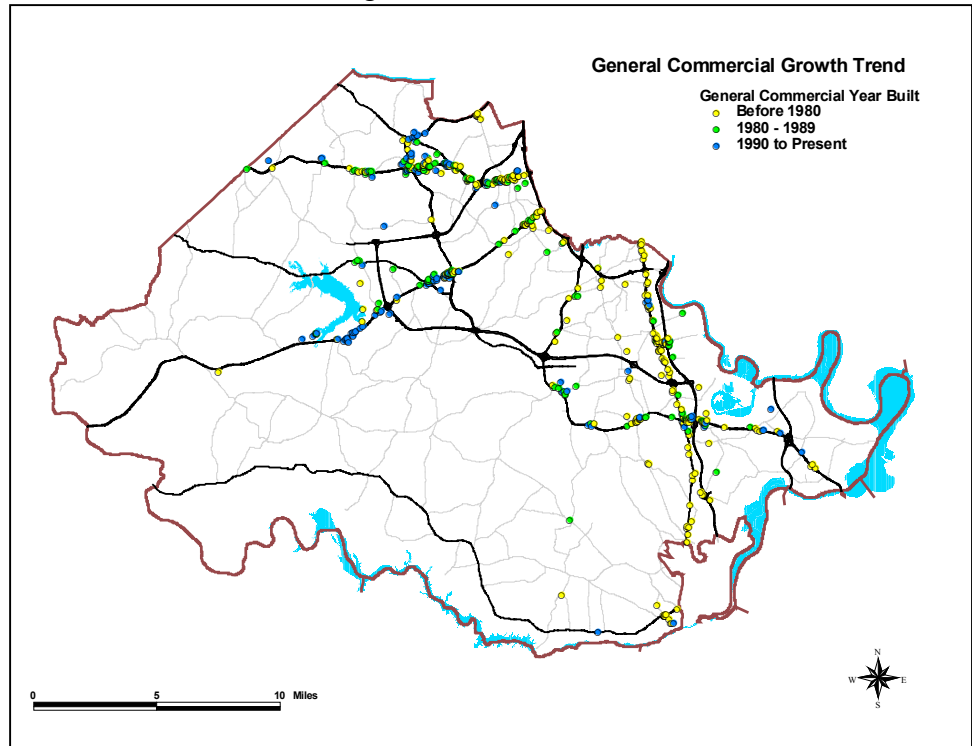
General commercial covers the broadest spectrum of commercial development within Chesterfield County. General commercial uses are usually located along major roads and especially at major intersections, where there is a high traffic concentration. Refer to the Methodology and Data Sources section at the end of this report for the specific uses included in this category.

Acreage

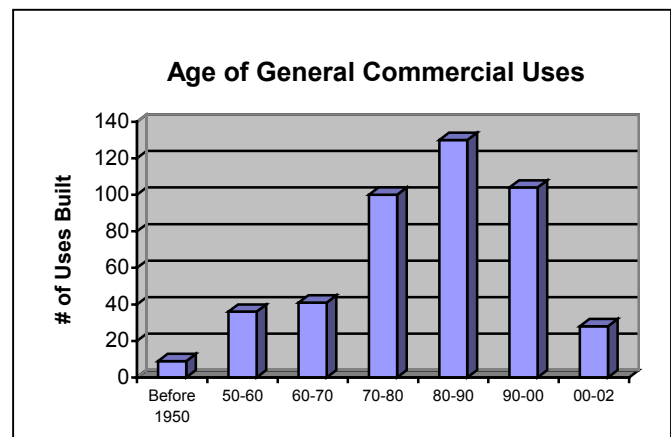
There are approximately 1,064 acres of general commercial development in the county. This represents about 10.5 percent of the total commercial and industrial developed acreage of the county.

Age

Nearly 75 percent of the general commercial uses were constructed between 1970 and 1999. During this period, an average of over 11 general commercial uses were constructed per year. The 2000-02 data seems to forecast a continuation of this trend for the 2000-10 period.

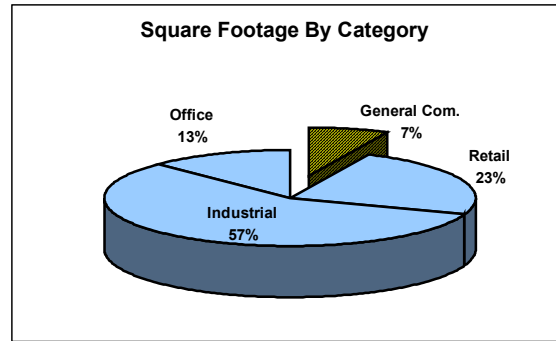


General Commercial—Age of Square Footage		
Time Frame	Square Footage	% Of Total
Before 1950	95,425	2%
1950-1960	127,403	3%
1960-1970	450,705	11%
1970-1980	650,496	16%
1980-1990	1,359,330	33%
1990-2000	974,811	24%
2000-Present	445,259	11%
TOTAL	4,103,429	100%



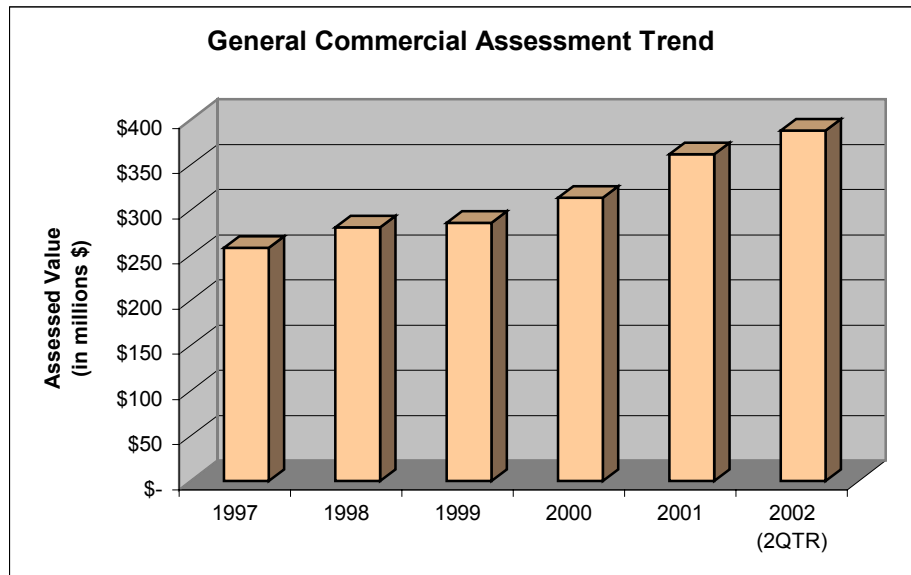
Square Footage

General commercial uses comprise over 4.1 million square feet of usable space, and represents about 7 percent of the county's total commercial and industrial square footage. The peak construction period for general commercial occurred during the 1980s when nearly 136,000 square feet of space was added each year. However, the period of 2000 to 2002 has so far witnessed an average of over 148,000 square feet of space added each year. The average size of a general commercial use is approximately 9,000 square feet, which is the smallest average size of all of the commercial and industrial categories.

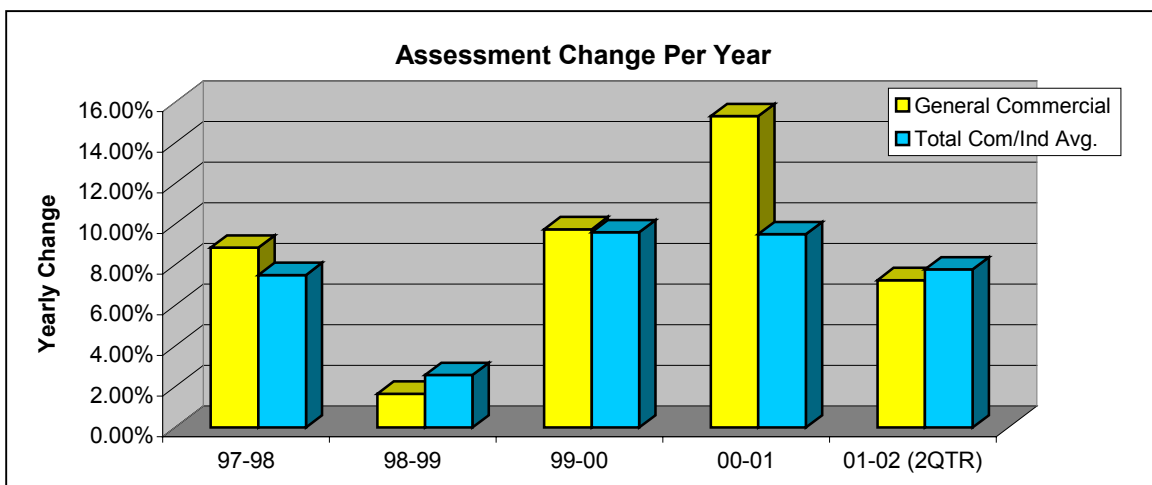


Assessment

General commercial uses have an assessed value of nearly \$400 million, according to second quarter of 2002 information. This represents an almost \$130 million increase since 1997, or an average of about \$21.6 million per year. This equates to an 8.6 percent average yearly increase, or slightly over the countywide commercial and industrial assessment average of 7.4 percent per year increase.



This gives general commercial developments the highest average assessment increase per year of all the commercial and industrial categories. General commercial uses account for nearly 15 percent of the total assessed value for all commercial and industrial properties in Chesterfield County.



Retail Commercial

Definition

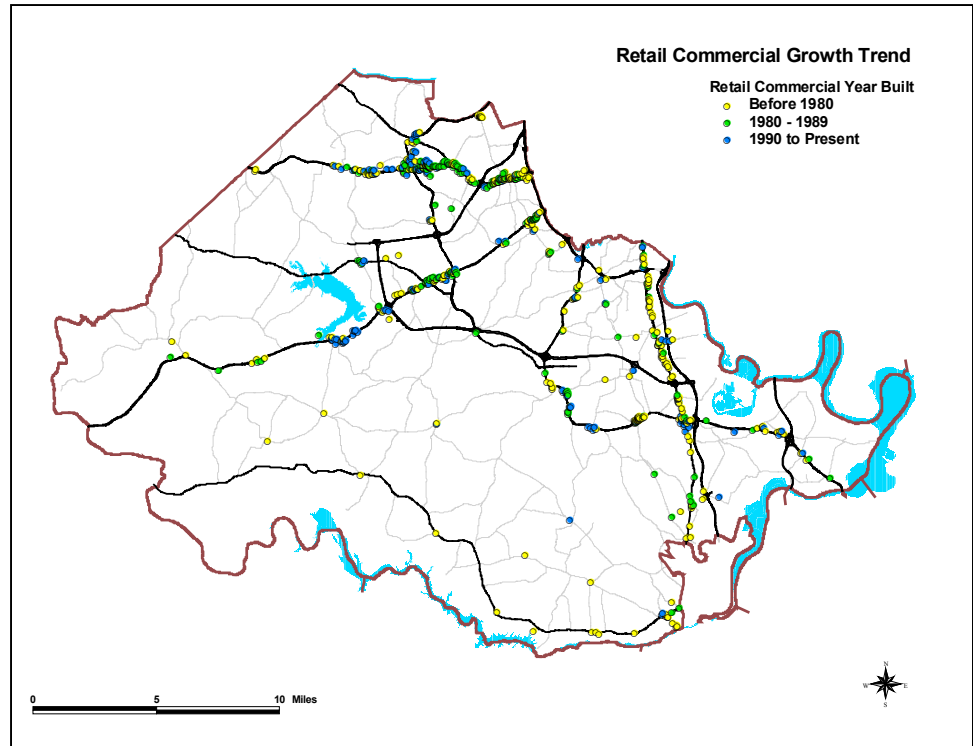
Retail commercial consists of those business establishments that are primarily engaged in the sale of tangible goods. Retail commercial businesses range in scope from car dealerships to shopping centers. These uses are usually located near other commercial enterprises and can be found along all of the major road corridors and intersections.

Acreage

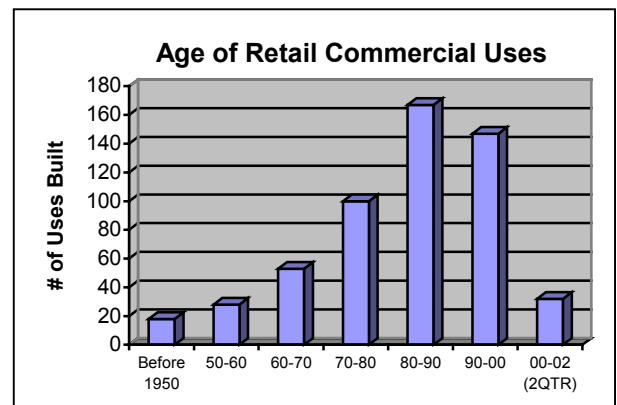
There are close to 2,100 acres of retail commercial uses in Chesterfield County. This represents the most prolific commercial development type in the county. Retail commercial occupies over 20 percent of the total developed commercial and industrial acreage.

Age

Approximately 53 percent of all retail commercial uses were constructed between 1980 and 1999, with the early 1980s and mid-1990s seeing the highest construction rates. During this period, an average of 15 retail commercial developments were built. The 2000-02 data seems to indicate a decreasing trend for the next 10 years.

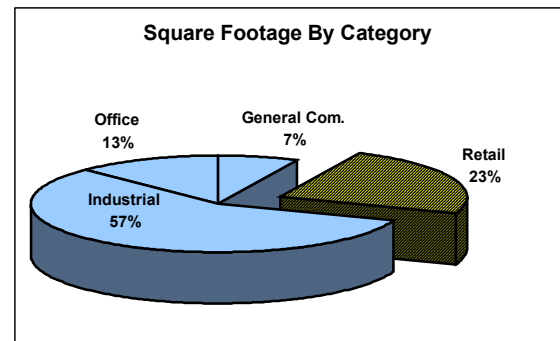


Retail Commercial—Age of Square Footage		
Time Frame	Square Footage	% Of Total
Before 1950	574,029	4%
1950-1960	123,684	1%
1960-1970	692,924	5%
1970-1980	3,114,009	23%
1980-1990	3,579,538	26%
1990-2000	4,847,294	35%
2000-Present	739,038	5%
TOTAL	13,670,516	100%



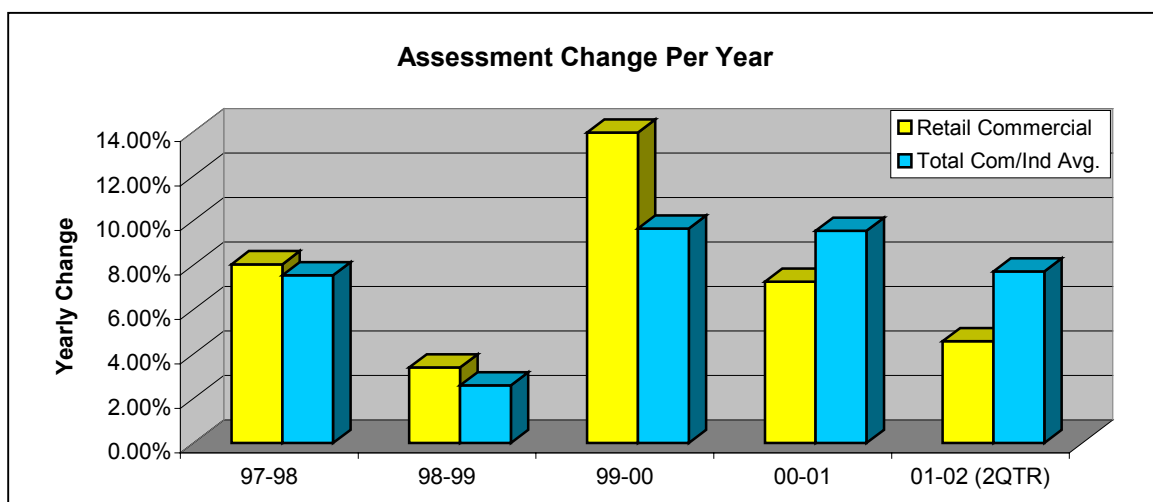
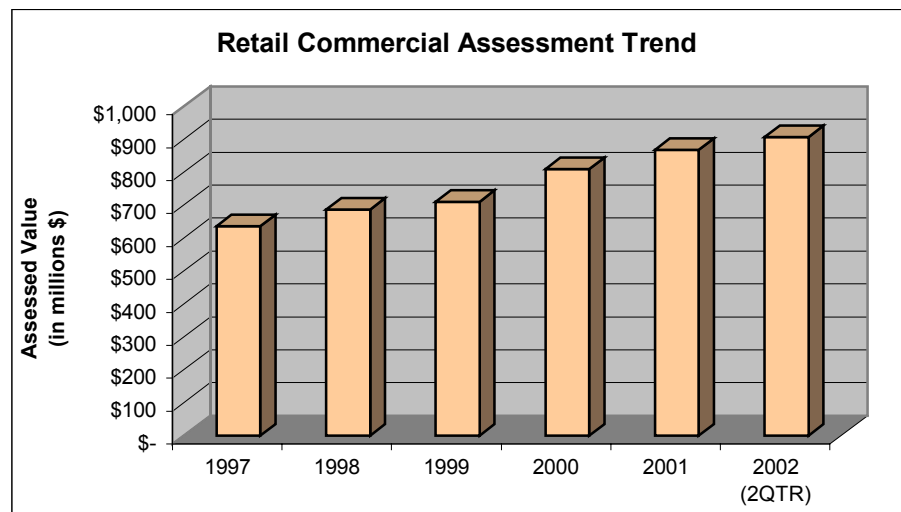
Square Footage

Retail commercial developments comprise nearly 14 million square feet of space. This is about 23 percent of the total commercial and industrial square footage in Chesterfield County. The peak construction period in terms of square footage for retail commercial uses occurred between 1990 and 1999, when an average of nearly 500,000 square feet of space was added every year. Since 2000, an average of about 250,000 square feet of retail commercial space has been added each year. This could signify a saturation of the retail market since retail development is population driven, and the population growth rate in the county has begun to slow down. The average size of a retail commercial development in Chesterfield County is approximately 23,000 square feet.



Assessment

Retail commercial uses have an assessed value of over \$900 million. This figure has increased by over \$270 million from 1997, or an average of more than \$54 million per year. Retail commercial has increased an average of about 7.4 percent per year since 1997, which is the same as the average increase per year for all commercial and industrial uses. Retail commercial accounts for approximately 34 percent of Chesterfield County's total commercial and industrial assessed value.



Office Commercial

Definition

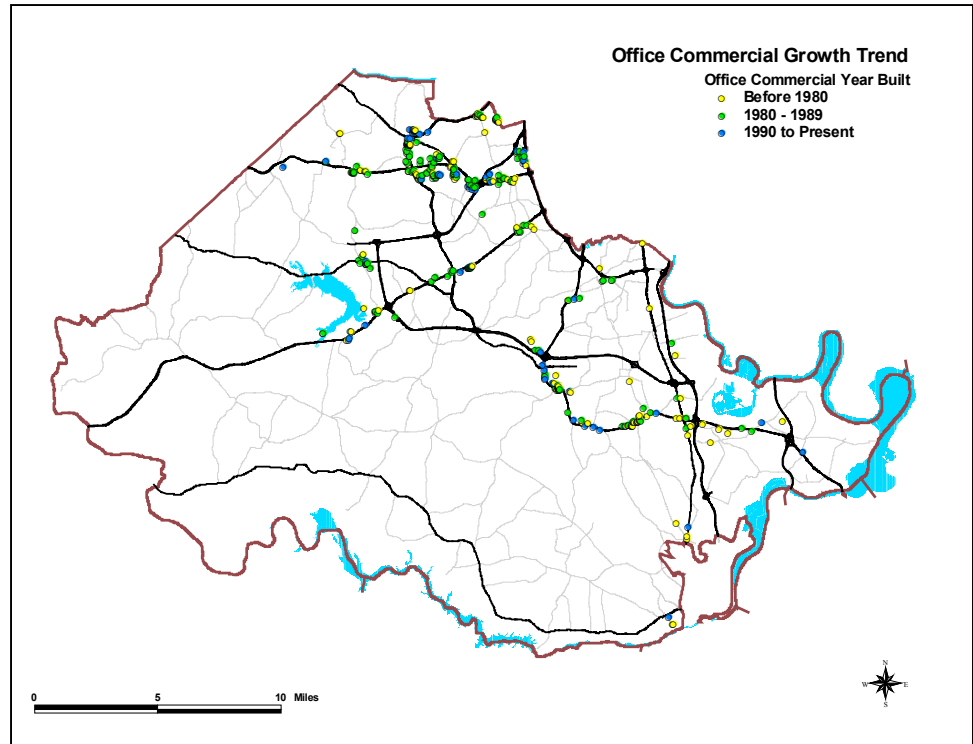
Office commercial uses are developments where services, clerical work and professional duties take place. These can range in size from offices converted from houses to large, multi-storied buildings. Thus, office commercial uses can be located throughout Chesterfield County.

Acreage

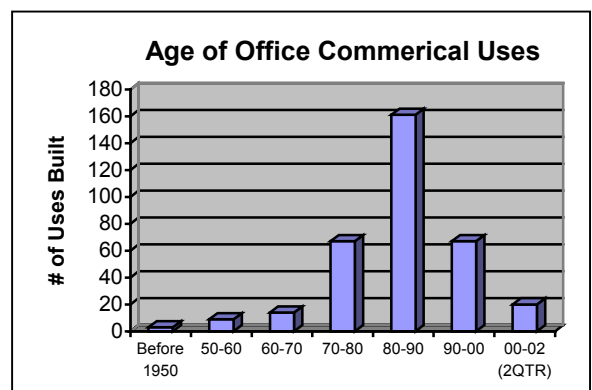
There are about 850 acres of office commercial development in the county. This is about 8.5 percent of Chesterfield's total commercial and industrial acreage. Most of this is in office parks of varying sizes and scales.

Age

The peak decade of office commercial development was the 1980s when more than 50 percent of the office commercial uses were built. During this period, an average of about 16 office commercial uses were constructed per year. This trend had slowed to around seven developments per year in the 1990s, and appears to be continuing for the 2000-10 time frame.

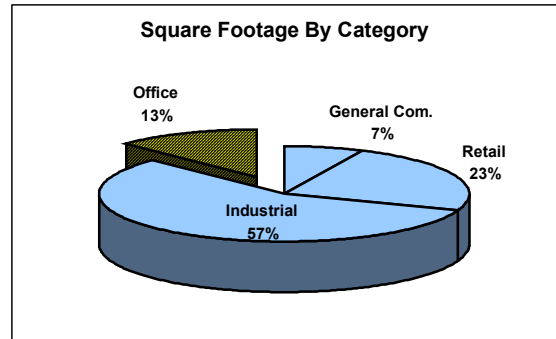


Office Commercial—Age of Square Footage		
Time Frame	Square Footage	% Of Total
Before 1950	15,098	< 1%
1950-1960	23,678	< 1%
1960-1970	123,682	2%
1970-1980	1,212,162	17%
1980-1990	3,853,029	54%
1990-2000	1,315,291	18%
2000-Present	611,685	8%
TOTAL	7,154,625	100%



Square Footage

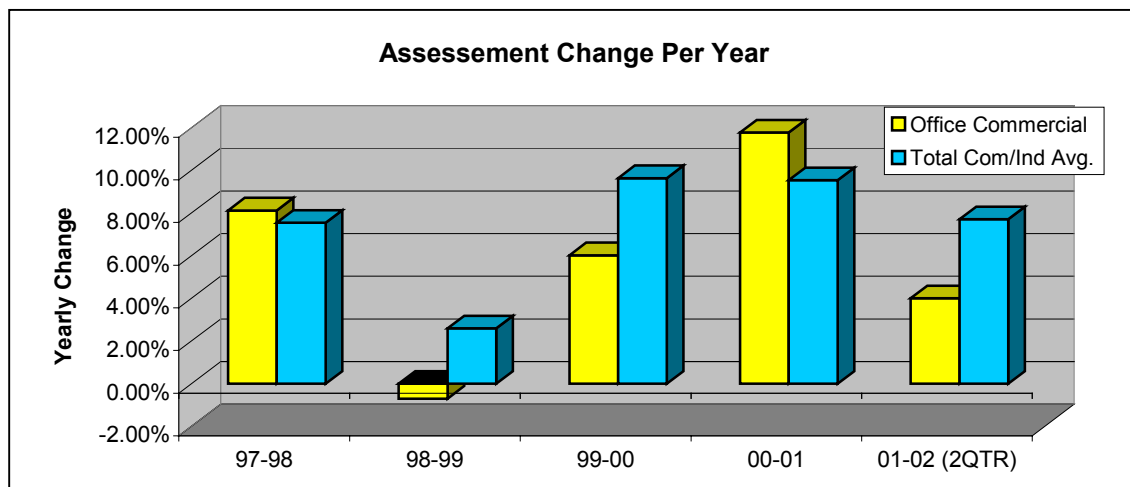
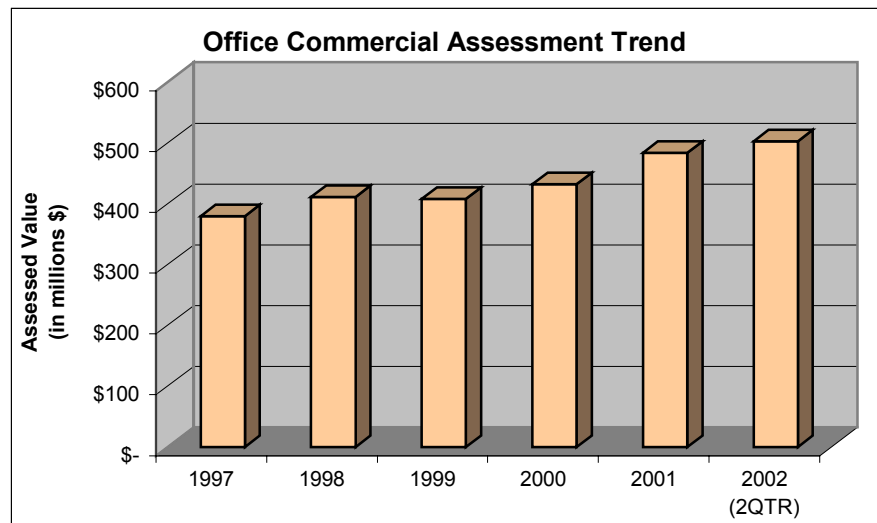
Office commercial developments have well over 7 million square feet of usable space, a number that represents 13 percent of the county's total commercial and industrial square footage. In terms of square footage added, the 1980s saw the highest average office commercial construction, with an average of over 385,000 square feet added per year. Currently in the 2000-10 period, an average of about 204,000 square feet of office commercial space is added each year, which, although not greater than the 1980s, is a much larger average than that of the 1990s. The average size of an office commercial use is approximately 21,000 square feet.



Assessment

Office commercial uses have an assessed value of just over \$500 million according to second quarter 2002 data.

This is around \$123 million increase since 1997, or about \$25 million per year average increase. This equates to a 5.8 percent average yearly increase in assessment since 1997, which is lower than the 7.4 percent average yearly increase for all commercial and industrial developments combined. Office commercial uses account for 19 percent of the total commercial and industrial assessment in Chesterfield County.



Industrial

Definition

Industrial uses are those businesses that are primarily engaged in the manufacturing, assembling, storing and distributing of tangible goods. Although some industrial uses may be engaged in the selling of their goods on-site, the distinguishing feature of this group is that its primary functions are those listed above. Industrial uses are usually found close to major transportation networks, such as interstate highways and railroads.

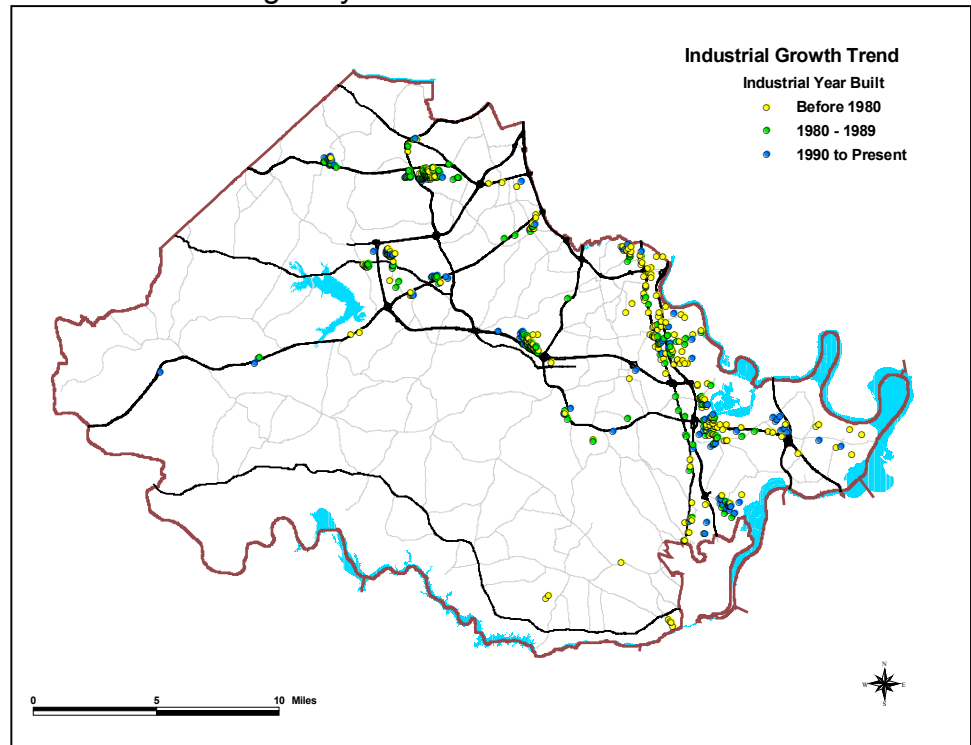
Acreage

There are more than 6,000 acres of existing industrial uses in Chesterfield County. This is over 60 percent of the total commercial and industrial acreage of the county. It should be noted that industrial uses are land-intensive and usually require larger properties for development.

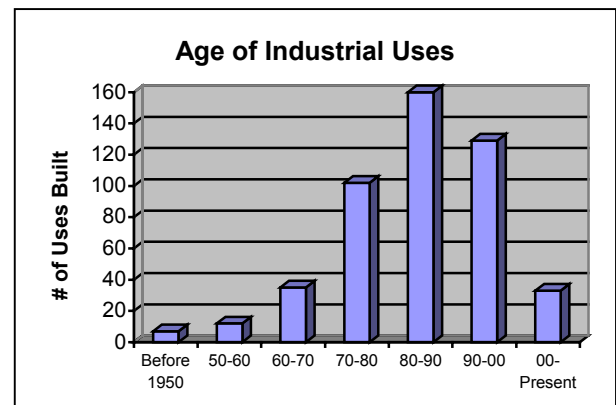
Age

Approximately 57 percent of industrial uses were constructed between 1980 and 1999.

During this period, an average of 14 new industrial developments were built each year. Data collected in the 2000-10 time frame suggests a continuation of this trend.

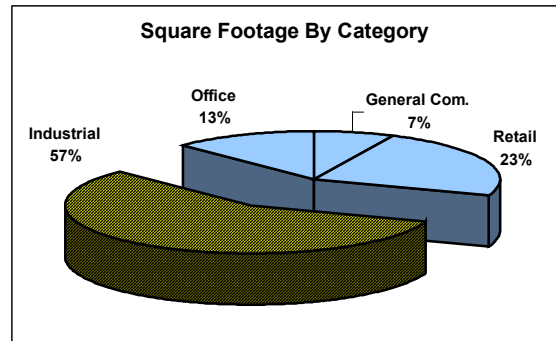


Industrial—Square Footage		
Time Frame	Square Footage	Change
Before 1950	14,718,781	44%
1950-1960	1,354,030	4%
1960-1970	1,371,475	4%
1970-1980	3,410,366	10%
1980-1990	4,433,510	13%
1990-2000	6,426,572	19%
2000-Present	1,401,671	4%
TOTAL	33,116,405	100%



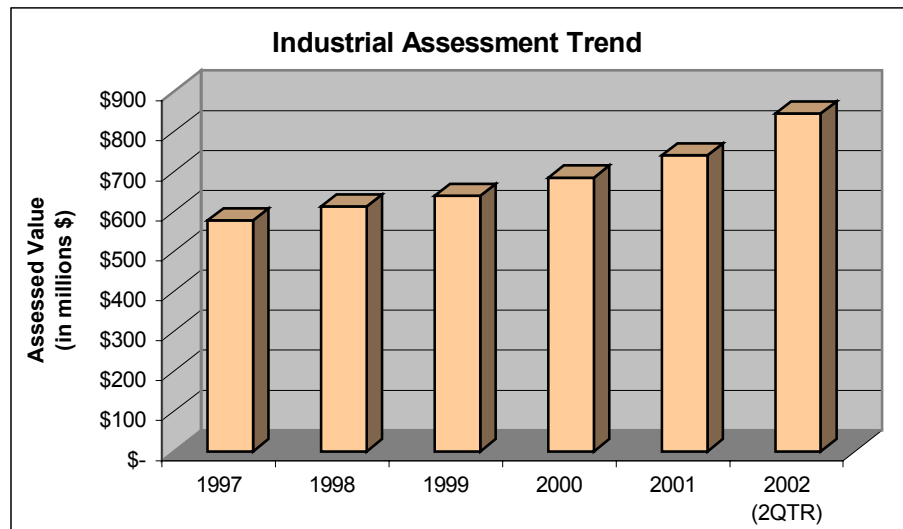
Square Footage

Industrial developments contain well over 33 million square feet of space, or about 57 percent of Chesterfield County's entire commercial and industrial square footage. Over 14 million square feet of Industrial space was constructed before 1950, with over 8 million square feet located in the Defense Supply Center Richmond located off of Jefferson Davis Highway. Industrial uses continue to increase in size. Every decade since 1950 has experienced an increasing amount of square footage, and the 1990s saw an average of nearly 650,000 square feet of industrial square footage being added every year. According to the data collected, an average of about 470,000 square feet has been added per year in the 2000-10 time frame and appears to forecast a continuation of this trend. The average size of an industrial use in the county is over 65,000 square feet.

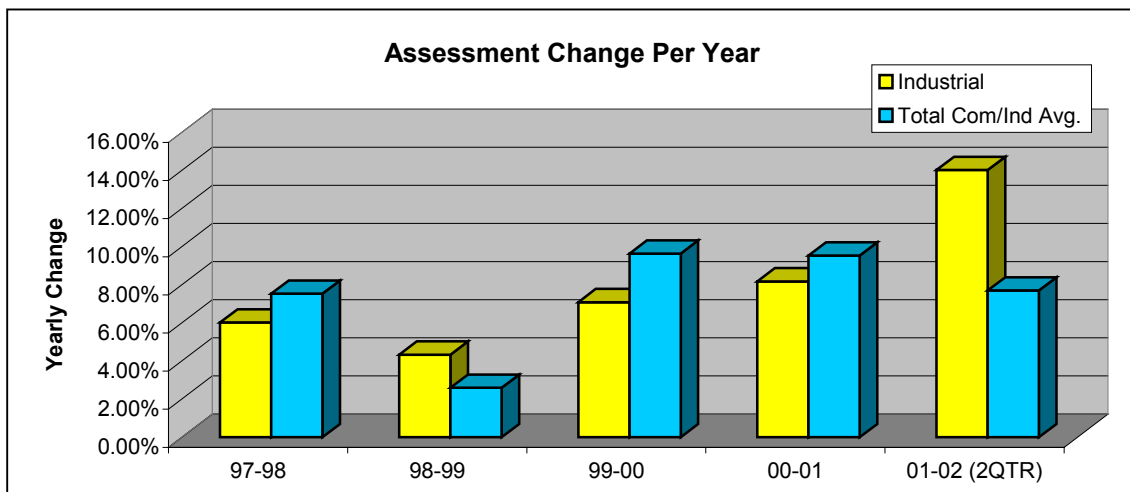


Assessment

Industrial development has about \$850 million of assessed value. This is approximately a \$270 million increase since 1997. This corresponds to an average of about a \$53 million increase in assessment per year, or about an 8 percent increase per year. This is somewhat higher than the countywide 7.4 percent average increase in



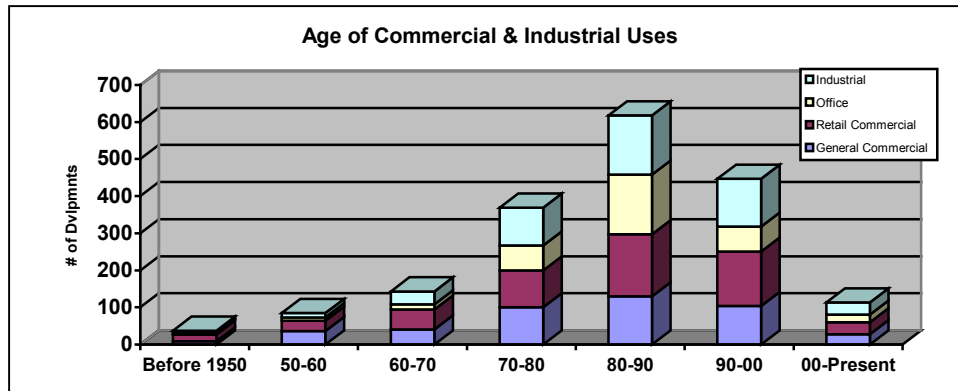
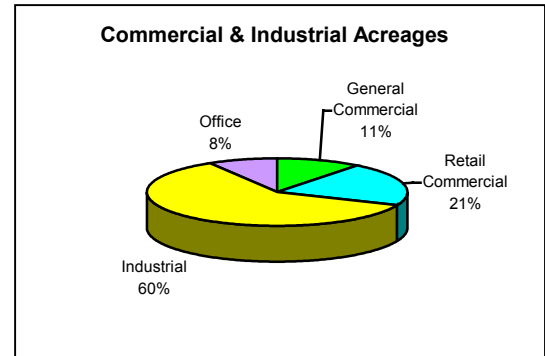
assessments for all commercial and industrial uses combined. Industrial developments account for nearly 32 percent of the total commercial and industrial assessment.



Summary of Findings

Acreage

There are over 10,000 acres of commercial and industrially developed land in Chesterfield County. This figure represents only about 4 percent of all of the developed acreage in the county. Due to the space-intensive nature of its uses, it is not surprising the majority, over 60 percent or 6,000 acres, of commercial and industrial acreage is taken up by the industrial category. The smallest category is office space, with only about 8 percent, or approximately 850 acres of land.



Age

The greatest number of commercial and industrial uses was constructed between 1980 and 1990. This period witnessed over 600 new commercial and industrial uses being constructed, or 34 percent of all of the commercial and

industrial developments currently in the county. Since that time, the number of new developments constructed has been in decline.

Square Footage

Currently possessing over 58 million square feet of commercial space, Chesterfield County has seen a consistent increase in commercial square footage since the mid-20th century. If the few years that have passed in the current decade are an indicator of the future growth of the commercial sector, than it appears as if this trend should hold true through 2010. It should be noted that while the overall number of establishments are in decline, the amount of square footage contained in these is increasing, signifying a trend toward all-in-one types of commercial developments.

Chesterfield County Age of Square Footages		
Time Frame	Square Footage	% Of Total
Before 1950	15,403,333	27%
1950-1960	1,628,795	3%
1960-1970	2,638,786	5%
1970-1980	8,387,033	14%
1980-1990	13,225,407	23%
1990-2000	13,563,968	23%
2000 to Present	3,197,653	5%
TOTAL	58,044,975	100%

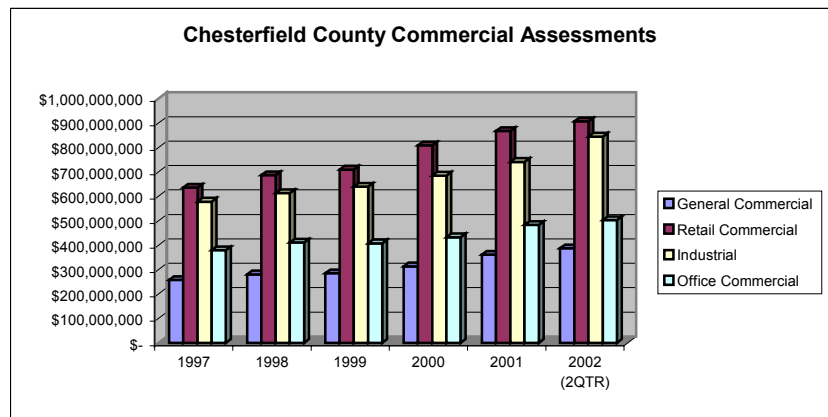
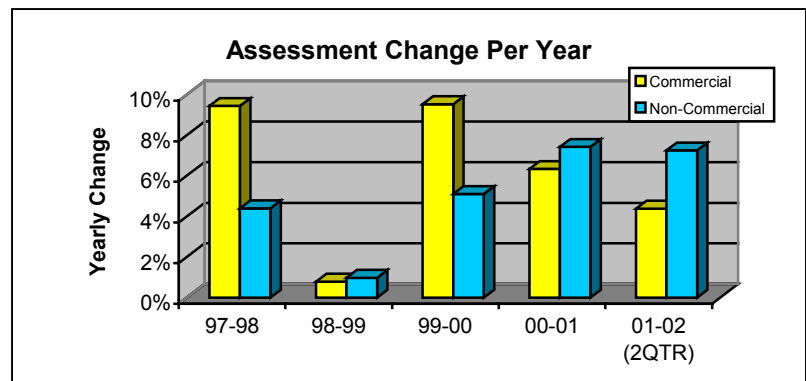
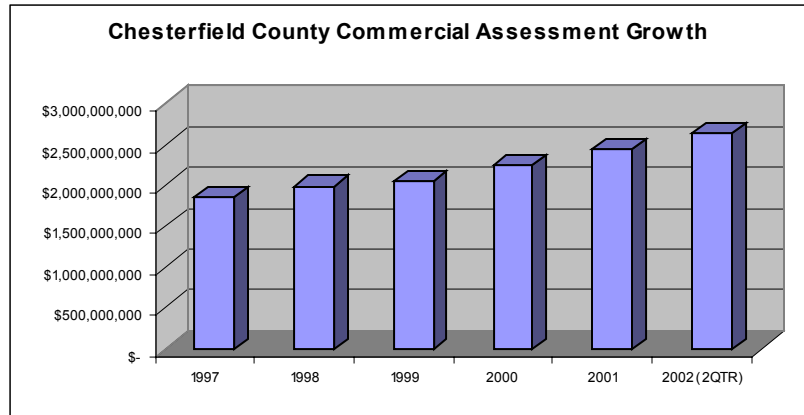
Assessment

Chesterfield County has over \$2.6 billion worth of commercial developments, and makes up approximately 16 percent of the county's total assessment value. Commercial assessments have remained relatively steady since 1997 and have increased an average of over 6 percent per year, compared to the 5 percent average annual increase in non-commercial assessments.

However, the average yearly increase in commercial assessments has been declining since around 2000, most likely because of the national economic slowdown.

The greatest assessment increases have occurred in the office-commercial and retail-commercial sectors of Chesterfield's commercial development.

Since 1997, office assessment has increased 75 percent, while retail assessment has increased 70 percent.



Methodology and Data Sources

The following terms and calculations were used in this section of the report:

Commercial and industrial categories were generalized into four groups. Each of these is based on data from the Department of Real Estate Assessments in the form of use codes.

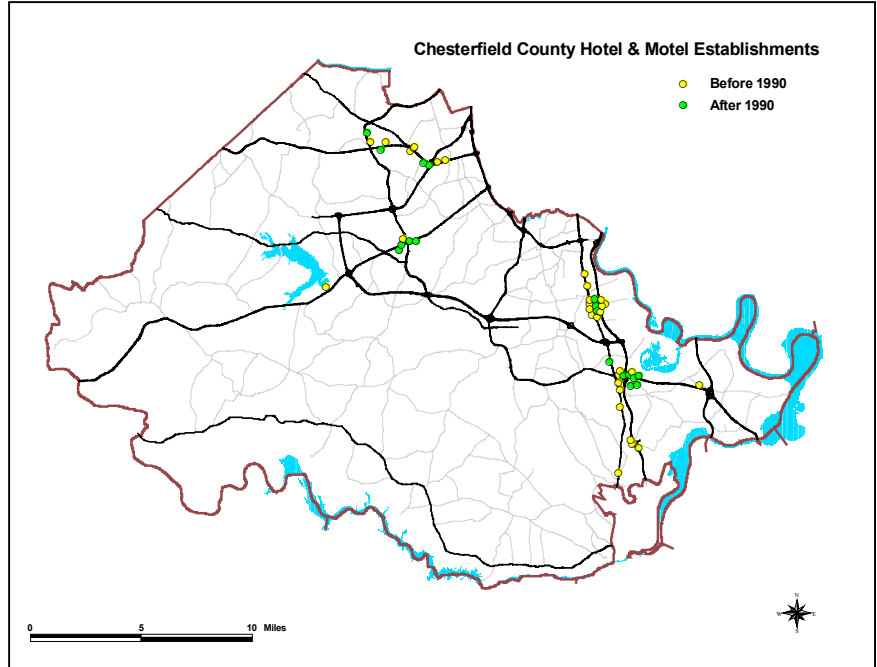
- **General commercial**—banks, bowling centers, car washes, day-care centers, fast-food restaurants, funeral homes, health clubs, laundromats, hotels, mini golf/driving ranges, motels, radio/television stations, restaurants, service garages, service stations, skating rinks, tennis/racquetball clubs, theaters and veterinary hospitals.
- **Retail commercial**—automotive centers, automobile dealerships, convenience stores, department stores, discount stores, markets, rural markets, nurseries, retail stores, shopping centers and used-automobile sales.
- **Industrial**—industrial engineering, industrial manufacturing under 50,000 square feet, industrial manufacturing over 50,000 square feet, mining and processing plants, mini warehouses, office warehouses, storage-tank facilities, storage warehouses, airport terminals, railroad terminals and truck terminals.
- **Office commercial**—office class C, A and D, office condominiums and medical offices.

The information found in this section of the report came from the following source:

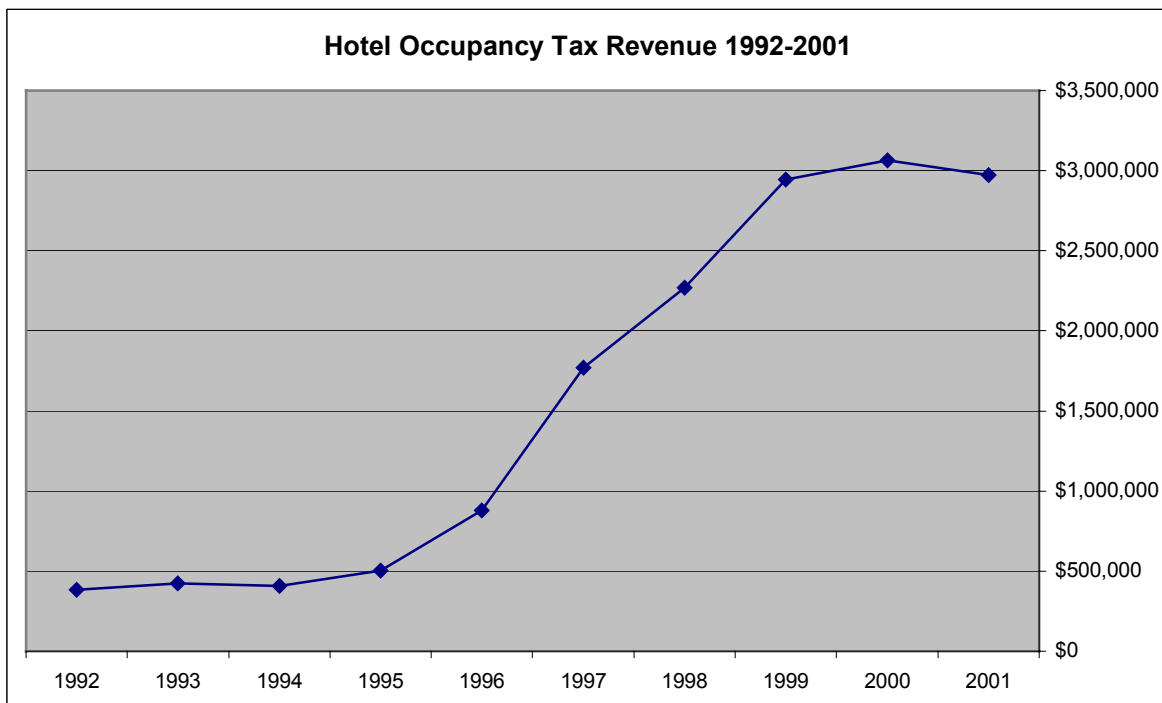
- ArcView GIS data refined from parcel layer information provided by the Department of Real Estate Assessments.

Hotels and Motels

The number of hotels and motels increased dramatically during the 1990s. Before 1990, there were 26 facilities in the county. Today there are 41, an increase of almost 60 percent. Please refer to the attached map for exact locations. The facilities are located in strategic clusters, especially congregating along Midlothian Turnpike, along Jefferson Davis Highway, at the intersection of Route 10 and Interstate 95 and at the Route 360-Courthouse Road intersection.



As shown in the chart below the occupancy tax collected by Chesterfield County has also dramatically increased as well. In 1992, the occupancy tax collected was less than \$400,000 per year. By 2001, the tax was almost \$3 million, a more than seven-fold increase.



Methodology and Data Sources

The following terms and calculations were used in this section of the report:

- Hotels and motels as defined in the Chesterfield County GIS and are based on data from the Chesterfield County Department of Real Estate Assessments.
- Occupancy tax as determined by the Chesterfield County Commissioner of Revenue

The information found in this section of the report came from the following sources:

- Hotel Occupancy Tax revenues—Commissioner of Revenue
- Hotel and motel locations—Chesterfield County GIS data